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CANADIAN FOREIGN TRADE AND COMMERCIAL RELATIONS

Two-way trade with the rest of the world has been a major factor in Canada's economic growth throughout its first 100 years of development as a nation and will become increasingly so in its second century.

Canada's export-import trade totalled nearly $21,000 million[1] in 1967. This can be compared to about $30,000 million for Britain and $86,000 million for the United States. On a per capita basis, the comparison is considerably in favour of Canada (Canada $1,050; Britain $550; U.S.A. $430), although, on this same basis, some smaller advanced countries, such as Belgium, the Netherlands and New Zealand, have even higher personal export ratios. Nevertheless, with little more than 0.6 per cent of the world's population, Canada's share of world trade is about 5 per cent.

Canada in the 1960s ranked somewhere between fifth and seventh among world traders. In both exports and imports, Canada, Japan and Russia have been continuously engaged in a seesaw battle for ascendancy.

Export-led expansion is a fundamental fact in Canadian economic history. Since Confederation in 1867, exports have grown one-third as fast again as the total rate of Canadian expansion -- and twice as fast as the trade of the rest of the world.

Trading Partners

When this skeletal outline of Canada's position in world trade today is put into historical perspective, it will be seen that there are certain clearly-defined directions in which Canadian trade patterns have developed:

(1) A long-standing two-way trade association with the United States, which has expanded rapidly in recent years.

(2) A relatively slow growth in trade with Britain since the Second World War.

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(1) Values given in international units = $U.S.

(3) A continuing (though relatively small) flow of trade between Canada and the other Commonwealth countries.

(4) Fluidity in trade exchanges with the rest of the world.

Thus, in the last decade or so, there has been a significant shift in Canadian trading patterns, by markets and suppliers, and by commodities and products, when compared with the years prior to the Second World War. The shift is even more pronounced when the development of Canada as a world trader is traced back to the years before the First World War.

Before 1914, Canada was basically a producer of food and raw materials and as such benefited greatly from a well-recognized pattern of world trade. This pattern saw a preponderant flow of primary products of all kinds from all parts of the world to Europe, with Britain as its centre of gravity. From Europe, in return, came a preponderant outflow of capital and services.

Canada oriented itself to Europe, and particularly to Britain, as a source of capital equipment to develop its economy and as a ready market for its raw materials. At the same time, while Britain was also a major source of the goods Canada needed to import, it was overshadowed by the United States as the principal supplier of foreign goods.

After the First World War, the United States also became the major source of development capital (and remains so today). In the depressed 1930s, preferential tariffs raised the share of Britain and other Commonwealth countries in Canada's external trade. As a result, the predominant triangular pattern of Canadian trade was maintained. Britain and the United States each took well over one-third of Canada's exports; the United States supplied nearly two-thirds of Canada's import needs, and Britain nearly one-fifth.

In the years since the Second World War, slow growth in Britain has been parallelled by slow development in its trade with Canada, while the United States has become significantly more important to Canada. At the same time, Canada is the biggest customer and supplier of the United States, though American dependence on trade in general, or on its next-door neighbour in particular, is much less than Canada's.

In its centennial year, Canada was selling some 64 per cent of its exports to the United States, over 10 per cent to Britain, nearly 6 per cent to other Commonwealth countries and the remaining fifth to other countries.

In recent years, because of crop failures in their territories, the Soviet Union, Eastern Europe and mainland China became large buyers of Canadian wheat. In 1964 some 7.6 per cent of Canadian exports went to these countries but with improved crops the share fell to about 3 per cent in 1967. Japan, the European Economic Community and Latin America are also significant markets for Canada. At the same time, the developing countries (as will be discussed later) are receiving considerable attention from Canada as potential markets for its goods and services.

In imports, the United States continued as the most important single source of supply, to the extent of 73 per cent of Canada's needs in 1967. Britain, on the other hand, was supplying 6 per cent of Canadian imports and other Commonwealth countries about 4 per cent.

The year 1967 saw Canadian exports increase by 10.5 per cent to a new record of some $11,400 million. In particular, Canada's total sales to the United States were up by 17 per cent over 1966 -- while United States imports from all other countries scarcely increased at all.

Exports to Britain and most countries of Western Europe were little changed in 1967 because of softer market conditions in those areas. Sharper percentage gains were, however, made in those countries experiencing strong expansion, such as Japan, Australia and Italy.

The nature and extent of the geographical shifts in Canadian trading patterns over the years is shown in the following tables:

Canadian Trade by Selected Areas

(as a percentage of total trade)

	1911	1921	1937	1947	1957	1967
Exports						
United States	38.0	45.6	36.1	37.3	59.4	64.2
Britain	48.2	26.3	40.3	27.1	15.0	10.3
Other Commonwealth Countries	6.1	7.6	10.4	15.0	4.8	5.7
Japan	.2	.5	3.2	neg.	2.8	5.3
U.S.S.R. and China	.6	.4	2.9	.7	.2	2.3
EEC	2.9	12.9	3.8	8.4	8.2	6.0
Others	4.0	6.7	3.3	11.5	9.6	7.0
Imports						
United States	60.8	69.0	60.7	76.7	71.1	73.2
Britain	24.3	17.3	18.2	7.4	9.3	6.0
Other Commonwealth Countries	4.4	4.2	11.0	6.5	4.2	3.8
Japan	.5	.9	2.0	neg.	1.1	2.7
EEC	6.2	2.5	4.6	1.0	4.2	5.7
Others	3.4	6.1	2.1	11.4	11.7	8.6

Gains in Manufacturing

With these shifts in the geographical direction of Canada's trade, significant changes have also taken place in the content of that trade. They started with the onset of the First World War. Until then, Canadian trade had grown steadily through the export of staples and the import of capital equipment and manufactured goods. As the war progressed, and greatly increased its demands on the productive capacity of the major allies, Canada developed as an industrial producer (though on a somewhat limited scale). This development was accelerated considerably in the years after the war. A principal factor was the establishment of branch plants in Canada,particularly by United States industries. In many cases, branch plants were established or expanded to take advantage of imperial tariff preferences.

The result was a sizable upsurge in exports of manufactured goods from Canada, the pace of which was accelerated yet again by the exigencies of the Second World War, and then again by the demands of the immediate postwar period as the war-torn countries tackled the urgent problems of reconstruction and pent-up consumer demand.

The gains thus made by Canada as an industrial producer had to be consolidated, and in some cases adjusted, in the 1950s as world industry and exports regained their competitive positions. Again, in the 1960s, Canadian export trade has expanded considerably in diversity and in specialization in manufactures.

The development of manufacturing as a major feature of the Canadian economy is delineated in broad terms in the following table:

Net Value of Production of Commodity Producing Industries

(Selected years - rounded percentages of total production)

	1919	1939	1943	1963
Agriculture	44	23	20	12
Manufacturing	33	41	54	55
Other Primary Industries and Construction	23	36	26	33

The more recent strong uptrend of manufactures in Canadian export trade is illustrated in a comparison of the increases in the value of broad classes of export commodities, for specified periods:

Canadian Exports - Commodity Share and Changes

(percentage of current values)

	1946	1956	Change %	1966	Change %
	Share %	Share %	1946-56	Share %	1956-66
Foods	37.1	23.1	13	19.3	77

Materials & Energy (Crude & Fabricated)	47.7	69.8	207	60.0	82
End Products	15.2	7.1	-3	20.7	521
All Exports	100	100	109	100.0	112

Strong gains in end-products are conspicuous; machinery and other highly manufactured goods figured strongly in the increases.

This table also indicates, in broad terms, how Canadian industry has been adjusting rapidly to changes in demand in world markets, despite some substantial variations. Much of the change in the make-up of Canadian exports took place in the sixties. In 1965, for example, inedible end-products accounted for 16 per cent of Canadian exports, compared to 9 per cent in 1960. In the next two years, this share rose sharply, to reach 27 per cent in 1967.

When it is considered that the share of end-products in world trade increased from about 29 per cent to 33 per cent in the same period, it becomes evident that the content of Canadian exports is shifting heavily to the commodity groups that have shown most growth in the last decade.

This picture is amplified somewhat by trends in major sectors within the commodity groups (as defined by the Standard International Trade Classification).

Food and crude materials as a whole still continued to be important in Canadian exports in the 1960s, forming nearly 50 per cent of all shipments in 1965, for example. Generally, these products form only 30 per cent of all world imports. But if total trade in foods has moved slowly, this cannot be said of meat, fish, cereals and alcoholic beverages, all of which are important Canadian exports. Moreover, if a genuine freeing of trade in food takes place, Canada can fare even better.

Canada's specialization in mineral and forest products modifies the impact of sluggish markets for crude materials. These products are in strong demand, being oriented to the buoyant industrial markets for durables, construction and packaging.

In the energy sector, moreover, the further discoveries of oil and gas in Western Canada and their wider use throughout North America have notably improved Canada's trade position in fuels.

In the further-manufactured groups, Canada's exports have been conditioned, until recently, not only by specialization in resource-related industries but also by the general organization of end-products and semi-fabricated products within a protected domestic market.

Canada is famous for newsprint and non-ferrous metals, and world demand for these has increased at a moderate pace. But world trade in semi-fabricated metals, paperboard, fine papers and chemicals has grown faster. So have exchanges in machinery and equipment, Canadian participation in which, once limited mainly to farm machinery and certain electrical items, has in recent years widened considerably.

Canada has recently improved its performance in these areas, in part because of special defence and aid programmes but also through a wider realization of the possibilities in rationalizing secondary industries in relation to the international market. This is particularly so with respect to automobiles and parts, the export sales of which contributed greatly to the high rates of increase in Canadian exports in 1966 and 1967.

The important factor here was the rationalization of the Canadian and United States automotive industries. This was effected by the Automotive Agreement ratified by the two countries in 1965, a move designed to create, over a period, a common market in automotive products in North America. For Canada, this produced exports of nearly $1,000 million in 1966, a gain of 178 per cent on 1965 figures, and a further 50 percent increase in 1967 to $1,500 million.

In all, the gains in 1967 reflected encouraging progress by Canada in exports of all manufactured goods. Sales of machinery and equipment and finished consumer goods (other than automotive products) rose by 25 per cent in 1967.

In resource-based industries, substantial gains were realized in oil and gas, base metals, potash and sulphur. The uranium industry, which had been lagging through the mid-sixties, also showed renewed confidence with large forward sales to Britain and Japan.

Canadians are counting on improved demand in world markets for the years ahead. They feel that faster growth in the industrial nations should, in turn, strengthen world commodity markets, with consequent benefit to the areas of the world producing food and basic material. Higher export returns in these areas, coupled with Canada's expanding aid programmes, will lead to new opportunities for trade with the developing countries.

Canada and the World Economy

Canadian industrialists, looking at the viability and fast-paced expansion of their nation as one of the most advanced countries in the world, realize that great challenges, as well as great opportunities, are ahead for Canada.

In recent growth, in both total production and exports, Canadian manufacturers have been spurred to new heights of achievement by the expansion policies of other industrial nations and have been greatly assisted by increasing international economic co-operation and general world trends toward the lowering of tariff barriers.

At the same time, it is fully realized in Canada that the future of its export trade, particularly in end-products, is closely related to its ability to greatly improve its industrial productivity. To this end, the Canadian Government provides assistance to Canadian industrial companies in the form of grants for capital and current operating expenditures devoted to clearly defined research and development programmes.

In this, the Government also underwrites specific projects that involve important advances in technology and generally encourages development of products and processes -- such as automatic process control systems -- which serve to enhance productivity or otherwise contribute directly to economic growth.

One result is that Canadian industry is becoming increasingly specialized, to the extent of concentrating main export endeavours on the design, development and manufacture of products which can most successfully compete in increasingly sophisticated markets. This is particularly evident in such fields as specialty machinery and industrial equipment incorporating automated or computer-controlled processes, in telecommunications equipment, in microminiaturized electronics, in avionics and nucleonics.

In working toward these goals, Canadian industry is also well served by the National Research Council, the Canadian government research agency, which rates with the most advanced of such establishments in the world, and by research councils organized by Canadian provincial governments and universities.

Over the 20 years 1946-66, the per capita productivity of industrial employees advanced at an average annual rate of 2.5 per cent. The aim is to improve this rate through advanced automation, improved education and more efficient management.

While Canada's rate of advance has not matched the soaring increases in industrial production achieved in the last decade, by Japan and Italy in particular, its growth roughly parallels that of some other major industrial countries. Using the index of manufacturing production as a yardstick (1958 = 100), Canada's index of 179 at the end of 1967 compared favourably with the same figures for the United States (173), West Germany (180), Sweden (179) and France (172), and was well ahead of the figure for Britain (142).

The industrial countries in the OECD have agreed on a target for economic growth in the 1960s -- that of increasing their combined real income by 50 per cent. The evidence of the past five years suggests that this target will be reached or exceeded by 1970, which implies further expansion of world trade. This is of fundamental importance to Canada, because the nation has one of the world's most rapidly growing populations (Canadians in 1961 numbered 18.2 million; by July 1 1967, there were 20.4 million).

Natural Resources

As noted, much of Canada's export trade is based on an abundance of natural resources. These have had an all-pervading influence on the country's economic development.

Canada is an important source of supply to world markets for resource materials of all kinds (but whereas these were once shipped almost entirely in raw form, they are more and more being processed in varying degrees before export). The four principal resource sectors are:

Agriculture. With more than 160,000 square miles of highly productive farmland, mostly in the prairie provinces of Manitoba, Alberta and Saskatchewan, Canada usually holds about one-third of the market shared by the world's four principal wheat sellers, the other three being the United States, Australia and Argentina. Livestock play an important part in Canadian farm production, which also includes other grain crops, oilseeds and dairy products.

Fisheries. These are carried out, in the main, on more than 12,000 miles of coastline on the Atlantic and some 7,000 miles on the Pacific. A continental shelf extending from both coasts provides water shallow enough to ensure ample feeding grounds and cold enough to give seawater fish firm flesh and fine flavour. In addition, Canada reaps a rich harvest in freshwater fish from large inland lakes. Canada ranks second, after Japan, as a fish exporter, and its fishing-grounds provide recreation to many visitors as well as Canadians.

Forestry. Canada's more than 1,000,000 square miles of productive softwood timber stands -- a constantly renewable resource -- provide about 27 per cent of the value of the country's exports. A huge pulp-and-paper industry accounts for about 17 per cent of Canadian exports -- including nearly half the world's newsprint needs and a diversity of packaging and shipping materials. Based on these rich resources, Canada is also the world's largest exporter of softwood lumber and wood products, which include plywood and other construction materials.

Minerals. Huge developments in recent years have made the metallic and non-metallic mineral industries the fastest growing group of industries in Canada, accounting for nearly one third of Canadian export values. With an average annual growth rate of 7.6 per cent in the 1960s, the extraction and processing of minerals of all kinds was, by 1966, adding to the Canadian economy gross revenues of more than $4,000 million a year -- with vast areas yet to be tapped.

Canada is the world's leading producer of nickel, zinc and asbestos. It is second in gold, uranium, molybdenum, titanium, gypsum and sulphur (and on its way to becoming the world's leading source of potash). In the late 1960s, Canada was also the world's third most important source of iron ore, cobalt and the platinum metals. It was fourth in lead, silver and magnesium; fifth in copper and barite and, in the record as a whole, high in many other minerals.

Among these are virtually limitless resources of oil and natural gas, first major discoveries of which were made in Leduc, Alberta, in 1947. These discoveries were quickly followed by hundreds more until, by the late 1960s, Canada was producing, on balance, all its needs in petroleum and natural gas and exporting some of this production to the Western United States. Based on these resources, Canada has also become a significant producer of petrochemicals.

Geography and Transportation

Canada is the second largest country in the world, after the Soviet Union. It extends 4,000 miles across approximately the 45th Parallel of the North American continent and has an area of nearly 4,000,000 square miles.

Since its main topographic barriers extend in a north-south direction, the country started out with whole sections separated by challenging topographical obstacles, including water barriers on the coasts, rough, rocky terrain between the Atlantic seaboard provinces and Quebec (the earliest settled lands), and vast stretches of rock, water and barren muskeg north of Lakes Huron and Superior over the 800 miles between Eastern Canada and the prairie provinces of Manitoba, Saskatchewan and Alberta. Finally, there was the rugged Rocky Mountain barrier separating the prairies from the Pacific coast province of British Columbia. If the means to bridge these great natural barriers had not been found, Canada would probably never have achieved nationhood.

The highlights of transportation development and progress in Canada are many and varied: the construction of the St. Lawrence canals system prior to 1867; the stitching together of the various sections of Canada by the railway systems; the advent of the motor vehicle; early exploration of the North by air and the founding of national airlines. Then, following the Second World War, came the growth of truck transportation, the building of pipelines for oil and gas, the construction of the St. Lawrence Seaway, and the linking up of the Trans-Canada Highway, not to mention the addition of major causeways, bridges, tunnels and ferries.

Canada has developed one of the finest transportation systems in the world. The publicly-owned Canadian National is North America's largest and the Canadian Pacific Railway Company is the world's largest stockholder-owned railway system.

The two major airlines, Air Canada, publicly-owned, and Canadian Pacific Airlines, which is stockholder-owned, provide exceptionally high standards of service and between them connect Canada with most of the world by regularly scheduled passenger and cargo services over a total of more than 100,000 miles of air routes.

The St. Lawrence Seaway, reaching deep into the heart of North America, over 2,000 miles from the Atlantic, brings ocean shipping to the doorsteps of major industries providing economical transportation for much of the continent's goods, thus greatly assisting Canada's position as a major trading nation.

Pipelines have also been important in making it possible for Canada to develop its oil and natural gas resources economically. One of the world's longest pipelines, for instance, runs from Edmonton, Alberta, for 2,023 miles to Port Credit, near Toronto, Ontario. More than 15,000 miles of main transmission-lines have been built since the first oil discoveries in the late 1940s.

History of Trade Relations

For Canada, implementation of the Kennedy Round of GATT (General Agreement on Tariffs and Trade) negotiations will represent a complete turn of the wheel in Canada's external trade environment, from reciprocal free trade with the United States, through a system of high tariffs, to a preferential system, and back again to freer trading policies.

In the years immediately before Confederation in 1867, the colonies which then joined together had enjoyed free trade with the United States in primary products. This had been sought by the colonies as an offset to earlier losses of preferences in the British market; it had been negotiated by Britain on their behalf in the belief that it would promote economic viability in these then British territories and thus would help to avoid political union with the United States. This was in 1854.

Then, in 1866, the United States repealed the reciprocity pact, bringing considerable adverse influences to bear on Canada's trade and on investment in Canada. Confederation was, in part, a response to this situation and the new nation immediately set about seeking better terms of access to the United States and British markets.

The results of these efforts were disappointing and so, in 1879, Canada adopted the high-tariff policy then in vogue in most trading countries other than Britain. This policy was aimed at fostering the growth of manufacturing industry in Canada and increasing revenues to finance new transportation facilities and general economic development. The system suffered, however, from a conflict between the two objectives, for it became evident that internal development hinged significantly on the ability to compete in export markets. There followed many years of seeking to maintain a delicate balance between measures to expand export trade while, at the same time, providing protection for home-grown industry.

Thus, in 1907, partly for bargaining purposes, Canada adopted a tariff structure which provided for three levels of duty -- preferential (favouring British and Commonwealth imports), intermediate and general. A renewed effort to obtain reciprocity with the United States was rejected in the Canadian election of 1911.

In the light of large tariff increases in many countries following the depression of the 1930s and the serious international economic strains then evident, Britain, Canada, and other members of the Commonwealth adopted a systematic, widespread plan of tariff preferences. In 1937-38, in return for United States tariff reductions, Canada and Britain also reduced tariffs and removed some preferences.

The disruption of the world financial and trading system in the 1930s and 1940s convinced many countries of the need for a fresh start. The result was the General Agreement on Tariffs and Trade, which Canada has strongly supported since its ratification in 1948. Some 80 countries today subscribe to the Agreement, which is both a trade treaty and an institution for trade negotiation, adaptation and settling of disputes. The GATT, in effect, has become Canada's main commercial treaty -- for Canada's commercial policy cannot be considered apart from trends in the world trading community. There have been difficulties for Canada, however.

These include: restrictions on trade in agricultural products; the level of protection to be adopted by countries participating in regional free-trade pacts; increasing mutually beneficial trade with the developing countries; and trade with the Communist countries, where tariffs are not particularly meaningful as commercial instruments.

Now comes the Kennedy Round -- the latest and greatest of GATT achievements, surpassing in scope and effect all five preceding rounds of GATT negotiations and bearing on trade exchanges valued at approximately $40,000 million among some 50 countries. Canada was among the most active of the negotiators, with about $5,500 million of trade involved. Freer access to world markets was gained by Canada on exports worth some $3,000 million annually and Canadian tariffs were reduced on imports worth about $2,500 million annually.

Canada participated in these negotiations -- on agreement by the other parties -- as a country with special trade problems and agreed to grant reciprocity for concessions received, although not entirely across the board.

Foreign Investment Capital

External capital has always played a significant role in Canada because scarcity of domestic capital has often put limits on the pace of development and expansion. Thus, in a country in which transportation facilities have been a major necessity, a considerable proportion of non-resident capital was used in early years to finance canals, roads, railways and similar needs.

In more recent years, external capital has also helped to finance new industries, mines and sources of power and to expand such industries as pulp and paper, non-ferrous smelting and refining, chemicals and petroleum.

But as the country grows, and continues to improve its earning power and its rate of savings, Canadian participation in the ownership of industry should gradually expand. At the same time, so far as the international company is likely to continue to play a large role in the Canadian economy, it is considered important to work in the direction of maximizing the benefits arising from foreign participation and minimizing any disadvantages which may arise from exposure to foreign decision-making.

To this end, a statement of the basic essentials of good corporate citizenship was enunciated early in 1966 and communicated to foreign-owned subsidiaries in the form of a letter from the Minister of Trade and Commerce setting forth "Some Guiding Principles of Good Corporate Behaviour". Response to this letter indicated a broad measure of agreement and conformity with the basic intent of the "Principles".

Canada and International Organizations

Because of the traditional strong feeling of Canadians for a multilateral approach to working out trading relations, Canada has consistently supported various international organizations in the commercial and aid fields. Among these are the Food and Agriculture Organization (Canada was host to the founding conference), the Colombo Plan, the World Bank, the International Development Association, the United Nations Development Programme, the Inter-American Development Bank and the African Development Bank.

The importance of the international financing organizations, especially for the developing countries, is not underrated in Canada. Scores of projects in these areas have been designed and supervised by Canadian consulting engineers and aerial-survey companies and numerous Canadian manufacturers have provided capital goods and equipment, industrial raw materials and components under these programmes. In the year ended June 30, 1966, some 55 companies supplied agricultural equipment, industrial machinery, equipment for power-stations and power-transmission, communications equipment and other products through World Bank financing. Procurement under International Development Association loans in the year ended June 30, 1966, involved some 50 Canadian companies supplying, among other products, diesel locomotives, construction materials, aluminum cables, and irrigation and communications equipment. As a further example, under the Colombo Plan, a major instrument in Canada's own aid programme, capital-assistance grants of $16,200,000 (Canadian) were made available to finance transportation needs in Ceylon.

All the developing countries are eligible for Canadian assistance, and Canada has taken part in bilateral programmes, both large and small, in 65 such countries.

Canada also has an Export Credits Insurance Corporation, which assists in financing sales of capital goods and services on terms that are "softer" than those usually offered in commerce.

Canadian aid is largely responsive in nature and does not delineate to the developing country precisely what it must purchase. While Canada often indicates the areas in which it has a particularly strong capability, the government of the developing country concerned is left to decide for itself what Canadian goods and services can best assist in the fulfillment of its development plan.

Canada's Overseas Investments

Although aid programmes are a major means of meeting the most pressing needs of the developing nations, more and more emphasis is being placed on direct Canadian capital investment abroad. In the years 1963-65, Canadians invested directly an annual average of nearly $120 million (Canadian) abroad. By 1964 total direct and portfolio investment abroad amounted to nearly $5,300 million -- more than double the figure of a decade earlier.

Although most of this investment had been directed to other industrial nations, by the end of 1964, Canadian investments in the developing nations totalled better than $500 million. This figure was increasing at the rate of more than $30 million a year in the late sixties.

For the Future

Canada is endeavouring by all means available to diversify and expand its trade with other nations. With other trading countries, it is examining likely avenues for further improvement of access to international markets, including ways of bringing developing nations into fuller participation in the international trading system.

Canadian leaders believe that only through international specialization and closer commercial ties can the nations of the world reap the full benefits made possible by an advancing technology and growing productive capabilities.

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Appendix A

Trade of Canada, By Leading Countries, Comparison of Totals

(1964, 1965, and 1966)

Table 1 Exports

Rank In -- (Values in millions $U.S.)

1964	1965	1966		1964	1965	1966
1	1	1	United States	4,271.1	4,840.5	6,027.7
2	2	2	Britain	1,199.8	1,174.3	1,122.6
3	3	3	Japan	330.2	316.2	394.2
4	4	4	Soviet Union	315.9	197.4	320.6
7	9	5	Mainland China	136.3	105.1	184.9
5	5	6	West Germany	211.4	189.5	176.8
8	8	7	Netherlands	101.6	127.8	143.1
9	7	8	Belgium & Luxembourg	100.5	128.0	117.5
6	6	9	Australia	145.8	140.4	117.4
17	10	10	Italy	62.2	93.2	114.9
15	15	11	India	64.0	58.5	107.7
12	12	12	Norway	67.6	82.5	106.8
10	11	13	France	79.4	87.3	84.5
14	14	14	Venezuela	64.1	73.0	76.0
11	13	15	South Africa	69.2	76.2	74.4
18	16	16	Cuba	60.9	52.6	61.4
13	17	17	Mexico	65.2	51.0	52.1
20	18	18	New Zealand	33.7	36.8	41.8
25	21	19	Argentina	26.9	32.7	39.5
16	22	20	Poland	62.7	31.6	37.4
			TOTALS, All Commodity Exports	8,094.2	8,525.1	10,070.8

Table II

Imports

Rank In --

(Millions $U.S.)

1964	1965	1966		1964	1965	1966
1	1	1	United States	5,164.3	6,044.8	7,135.1
2	2	2	Britain	574.0	619.1	644.7
4	4	3	Japan	174.4	230.1	253.1
5	5	4	West Germany	170.4	209.5	235.2
3	3	5	Venezuela	270.6	254.7	215.1
6	6	6	France	68.9	96.1	106.7
7	7	7	Italy	67.5	80.3	86.7
13	10	8	Sweden	38.8	55.6	72.5
9	8	9	Belgium & Luxembourg	59.2	72.0	61.6
11	9	10	Netherlands	39.9	56.3	60.5
8	11	11	Australia	59.8	47.4	59.6
14	12	12	Switzerland	36.9	44.0	50.3
18	16	13	Malaysia & Singapore	34.6	40.3	41.5
15	13	14	India	36.1	43.4	40.1
--	--	15	Nigeria	11.3	11.3	39.5
22	21	16	Hong Kong	26.3	31.0	38.9
17	14	17	Netherlands Antilles	34.9	43.3	38.5
10	17	18	Jamaica	47.9	36.0	37.3
12	18	19	Brazil	39.5	35.6	35.8
19	20	20	Iran	31.1	31.8	35.5
			TOTALS -- All Imports	7,487.7	8,633.1	9,866.8

Source: Dominion Bureau of Statistics

Appendix B

Canadian Exports 1960 & 1966 By Standard International Trade Classification

in million International Units (United States Dollars)

SITC[1] No.		1960		1966		1960-66
	Description	Value	%Share	Value	%Share	Change %
0 & 1	Food & Beverages	1016	18.3	1815	19.0	79
041	Wheat	423	7.6	981	10.3	132
2 & 4	Crude Materials	1862	33.5	2403	25.2	29
243	Wood	362	6.5	448	4.7	24
251	Pulp	339	6.1	489	5.1	44
272	Crude Minerals	172	3.1	243	2.5	41
28	Metal ores	667	12.0	866	9.1	30
3	Energy Materials	150	2.7	462	4.8	208
5 & 6	Fabricated Materials	2033	36.6	2776	29.1	37
641.1	Newsprint	781	14.0	896	9.4	15
68	Non-ferrous metals	686	12.3	930	9.7	36
7 & 8 & 9	End Products	500	9.0	2094	21.9	319
732	Road motor vehicles	69	1.2	824	8.6	1094
	TOTALS	5562	100.0	9551	100.0	72

[1] (Figures in SITC column correspond to those used in UN statistics)